



JUNE 2001

QUARTERLY PAYROLL NEWSLETTER FORT DETRICK, MARYLAND

Welcome to the quarterly payroll newsletter. I hope that this newsletter helps keep everyone informed on new issues from payroll.

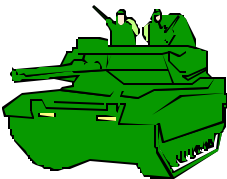
TRANSFERRING FROM NON-APPROPRIATED (NAF) TO APPROPRIATED (AF) FUND

Department of Defense (DOD) employees, who move between Non-appropriated (NAF) and Appropriated (AF) Fund employment systems without a break in service, of more than three days, are covered by the Portability Act. The act provides pay, leave, health and life insurance coverage, and other benefit protection. It is essential that these actions be properly coded and processed to ensure that Defense Finance and Accounting Service (DFAS) payroll offices DO NOT make lump-sum payments of annual leave, and DO make payroll deductions, as appropriate. Appendix F of DOD 1401.1-M, DOD Personnel Policy Manual for Non-appropriated Fund Instrumentalities, applies to both NAF and AF employees. It contains information concerning portability of benefits and may be viewed at <http://www.cpms.osd.milcpm/cpm.html>.

If an employee is moving from one employment system to another without a break in service of more than 3 days, then Public Law 101-508, as amended by Public Law 104-106, applies. These laws require that annual leave and sick leave balances MUST BE TRANSFERRED. It is requested that you thoroughly view your last Leave and Earnings Statement (LES) and verify that a lump-sum payment WAS NOT received for annual leave. If a payment was received, please bring it to our attention immediately. Any lump-sum payment that was received MUST BE repaid. Once repayment has been paid in full, the annual leave hours will be reinstated.

The following remarks are recommended on the Request for Personnel Actions(RPA):

- (1) Resignation submitted as required to accept a NAF position under Portability PL 101-508, amended by PL 104-106.
- (2) Annual leave and sick leave balances to transfer to gaining activity.
- (3) Please forward SF 1150 to the appropriate NAF/AF Civilian Personnel Unit.



MILITARY LEAVE FOR CIVILIAN EMPLOYEES

Public Law 106-554, enacted on December 21, 2000 changed the way Military Leave for civilian employees is processed. Prior to enactment, Military Leave taken for active duty, inactive duty training, or engaging in field or coast defense training was chargeable in whole day increments and periods of non-duty (such as weekends) were also chargeable. With the new law, Military Leave may

be charged in one-hour increments and leave will not be charged for periods of non-duty.

The effective date for this change is the first full pay period beginning after the effective date of the law. For the Department, this will be the pay period beginning 31 Dec 2000. The Defense Civilian Pay System (DCPS) will require modification and until such time, the minimum charge will be one day. The Defense Finance and Accounting Service (DFAS) is currently evaluating when the changes will be in place and notification will be given when that has been completed. While the necessary modifications will not be in place immediately, there are certain steps that can be taken to correctly charge Military Leave for periods of non-duty as well as certain work arounds to avoid erroneous conversions to another leave type or Leave Without Pay. These work around procedures can be viewed at the following website: <http://www.dfas.mil/money/civpay>. It should be noted that corrections to time and attendance for Military Leave taken prior to 31 Dec 2000 should continue to be reflected in daily increments and also consider non-duty periods. When system changes are in place, Military Leave balances will automatically be converted to hours.

WHAT IS OASDI?

OASDI stands for OLD AGE SURVIVORS DISABILITY INSURANCE. Another name for this is Social Security. The deduction amount to be withheld from the salary of FERS and FICA employees is 6.2%. CSRS employees DO NOT have this deduction.



TSP ELECTIVE DEFERRAL LIMIT

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Elective deferrals are tax-deferred amounts that you choose to contribute to a plan instead of receiving as pay. For TSP participants, Employee Contributions are considered to be elective deferrals. Elective deferrals do not include Agency Automatic (1%) or Agency Matching Contributions because these contributions are not considered part of your pay. Section 402 of the Tax Code limits the amount of income that you may elect to defer during a tax year. The IRS annual limit on elective deferrals is \$10,500 for 2001. If you are a high-salaried employee, you should keep the annual contribution limit in mind when deciding how much to contribute to your TSP account each pay period. When the annual limit is reached, your Employee Contributions **MUST** be suspended for the remainder of the tax year. Your agency payroll office must ensure that your Employee Contributions automatically resume during the first pay period paid in the following tax year. Your Agency Matching Contributions are also suspended when the annual limit on elective deferrals has been reached. Agency Matching Contributions are based upon the amount of Employee Contributions that you make each pay period. Therefore, if there are no Employee Contributions in a pay period, there can be no Agency Matching Contributions. Your agency **MUST** continue to submit Agency Automatic (1%) Contributions even though your Employee and Agency Matching Contributions are suspended.



ANNUAL LEAVE AMOUNT EARNED

Annual leave is earned by full-time and part-time employees. Intermittent employees (employees with no scheduled tour of duty) do not earn annual leave. Employees who are appointed to positions not limited to less than 90 days are entitled to annual leave earning upon completion of the first biweekly pay period.

Employees whose current employment is limited to less than 90 days are entitled to annual leave earning ONLY AFTER being currently employed for a continuous period of 90 days under successive appointments without a break in service. After completing the 90-day period, employees are entitled to be credited with the leave that would have accrued during those 90 days.

EMPLOYEE/MEMBER SELF SERVICE PIN

In order to access Employee/Member Self Service (E/MSS), an employee/member needs his/her Social Security Number (SSN) and Personal Identification Number (PIN).

If you do not know your CUMSTOMIZED PIN or you have suspended it, you may re-activate your PIN On-Line in E/MSS. If you cannot remember your customized PIN, you may establish a New PIN by entering any 4-8 numeric digit PIN *three times*. This will suspend you PIN record and screen displays will give you an opportunity to establish a new customized PIN on-

line by entering the desired new PIN twice and by correctly responding to the identity validation questions.

To customize a suspended PIN, enter your SSN and any 4-8 numeric digit PIN once. Follow the screen prompts to establish a new customized PIN by entering the desired new PIN twice and by correctly responding to the identity validation questions. You may also customize your PIN following the same procedures using the E/MSS IVR (phone) at 1-877-363-3677.

If you do not know your TEMPORARY PIN or you have suspended it, you must fax or mail the following information to DFAS in order to establish a New Temporary PIN:

- Name
- SSN
- Copy of your gov't ID w/photo
- Daytime phone number
- Signature

Your new Temporary PIN will be set to the last 5 numbers of your SSN. The FAX number is (216) 522-5800 or mail the information to DFAS-Cleveland/FFSA, Attention E/MSS, 1240 East 9th Street, Cleveland, Ohio 44199. Please wait two (2) business days before attempting to utilize the New Temporary PIN (allow additional time if mailed).

CUSTOMER SERVICE REPS/TIMEKEEPERS DEPARTING

If you are a Customer Service Representative or a timekeeper and have accepted a position with another activity or separated, please remember to turn in a copy of your Security Access Questionnaire with your activity outprocessing checklist.

EMPLOYEES NEW TO FORT DETRICK

Employees transferring and/or new hires to Fort Detrick must complete the Maryland Withholding Exemption Certificate. When completing the Maryland Withholding Exemption Certificate, Line 4 is to be completed only by employees employed in Maryland who are not domiciled within Maryland, and who do not maintain a place of abode within the state but who are residents of the District of Columbia (DC), Pennsylvania (PA), Virginia(VA), or West Virginia (WV).

Line 4 is not to be used by nonresidents working in Maryland who are residents of any state not listed above, because such persons are liable for Maryland income tax, and withholding from their wages is required. Generally, line 4 is to be used by those who reside within DC, PA, VA, WV and commute to work in Maryland.